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Telephony

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NATA Convention Eve Issue

THE BUMPY ROAD TO ISDN

ISDN Five features explore the CPE marketplace

U S WEST RIDES INTO OMAHA WITH MINITEL

This RHC joins the others with a videotex gateway

AT&T, WANG PLAY STANDARD DUET

AT&T continues promotion of ISDN applications and use

MONDAY, NOVEMBER 28, 1988 Volume 215, No. 22

Telephony

INTEGRATING VOICE & DATA COMMUNICATIONS

The PBX industry is bumping and lurching toward ISDN as new upgrades become the order of the day. Cover art by Jim Colao

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Psst! Yeah, you!

Wanna sell a phone system?

According to the results of a survey, PBX and key system buyers aren't after the same thing

DEBORAH PFEIFFER, Assistant Editor

What makes or breaks a phone system sale? It depends on whether the company is looking for a PBX or a key system. PBX users buy technology. Key system users buy price and basic functionality.

Last month, Focus Research Systems, West Hartford, Conn., interviewed 100 people who either had bought a PBX or key system in the last six months or were planning to buy one in the next three months. The purpose of the study was to find out what factors, features and sales techniques influence phone system buyers. Out of the 100 respondents, 68 were PBX buyers and 32 were key system buyers. The following conclusions are based on that research.

PBX buyers are more interested in high-tech. They want to buy a product that won't become outdated or obsolete overnight. And they want to talk with experts before they buy.

Specifically, the most important factors influencing PBX buyers in their purchase decision are system adaptability, expanda-

continued on page 30

Psst! *continued*

bility and features. In addition to basic features, these buyers want integrated voice-data capabilities. They also said that conversations with technical support people play a major role in their decision-making. And they look to telecom managers and other techies inside their company to recommend a system.

Key system buyers are another breed. They are looking for a system that functions well. Period. They don't need or particularly want frills. What they do want is a product that will work, one they will be able to use *after* they buy it. So they look for a manufacturer that will back its product.

The survey's results makes this apparent. For key system buyers, features aren't as important—although conference calling and automatic callback are required basics—as are low price and seller support. Most say the sales technique most influential to their purchase is "references" or "technical information." Unlike PBX buyers, key system buyers solicit recommendations from office managers or administrative managers—the people who probably will use the system most.

More Details? Read On

Those interviewed were asked four questions about the factors, features and sales techniques influencing their purchase decision. Another two questions focused on who recommends and authorizes actual purchases. Respondents were asked to rate the factors of the first four questions as extremely important, very important, somewhat important, not very important and not important at all.

So what factors are important in deciding to purchase a phone system? Both PBX and key system buyers rated all six factors—system features, competence of sales person, seller support, seller reputation, system adaptability/expandability and lowest price—from somewhat to extremely important (Table 1). But for PBX buyers, system adaptability/expandability was extremely important, while features, seller support and seller reputation came in a close second.

On the other hand, the majority of key system buyers value seller support and seller reputation, followed closely by the competence of the sales person, and the lowest price.

What They Want

Both PBX and key system buyers stressed conference calling and automatic callback as important system features (Table 2). Voice messaging and electronic mail surprisingly did not grab the limelight from either side. Integrated voice-data capabilities drew enthusiasm from PBX buyers but only disinterest from the majority of key system buyers (see close-up at right). Outside of the polled features over 10% of the PBX buyers were looking for least-cost routing as were some key system buyers.

PBX and key system buyers alike admit to being influenced by most sales tools and techniques used. The techniques specified included promotional brochures, technical information (such as spec sheets or documentation), telephone contact and quick follow-up, face-to-face meetings with a sales person, conversations with

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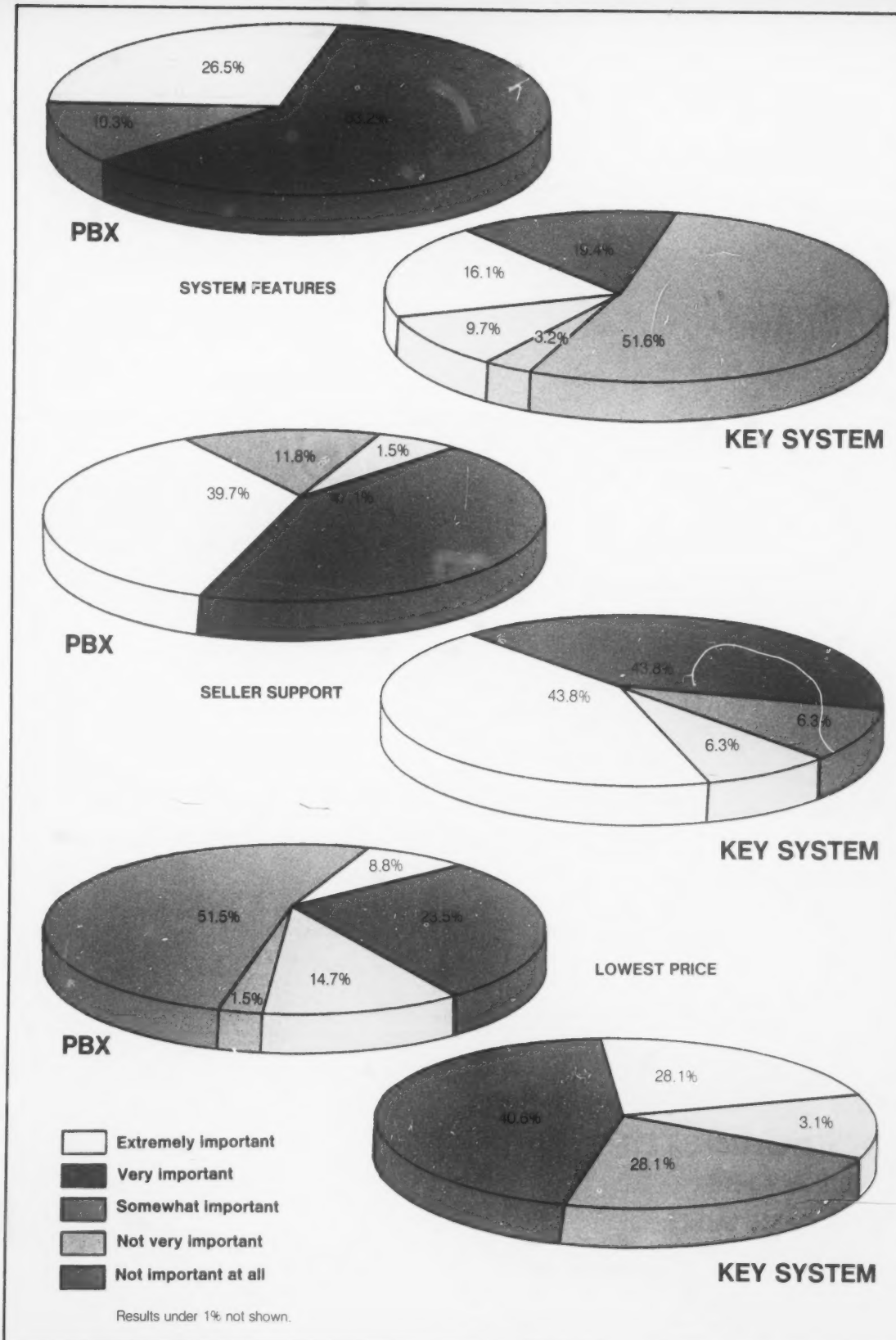
TABLE 1 IMPORTANCE OF FACTORS IN PHONE SYSTEM PURCHASE DECISION

Extremely important	26.5%	16.1%
Very important	63.2	19.4
Somewhat important	10.3	51.6
Not very important	0.0	9.7
Not important at all	0.0	3.2
Extremely important	5.9	18.8
Very important	42.6	53.1
Somewhat important	42.6	21.9
Not very important	5.9	6.3
Not important at all	2.9	0.0
Extremely important	39.7	43.8
Very important	47.1	43.8
Somewhat important	11.8	6.3
Not very important	1.5	6.3
Not important at all	0.0	0.0
Extremely important	23.5	43.8
Very important	58.8	40.6
Somewhat important	16.2	12.5
Not very important	1.5	3.1
Not important at all	0.0	0.0
Extremely important	51.5	21.9
Very important	38.2	21.9
Somewhat important	8.8	40.6
Not very important	1.5	15.6
Not important at all	0.0	0.0
Extremely important	8.8	28.1
Very important	23.5	40.6
Somewhat important	51.5	28.1
Not very important	14.7	3.1
Not important at all	1.5	0.0



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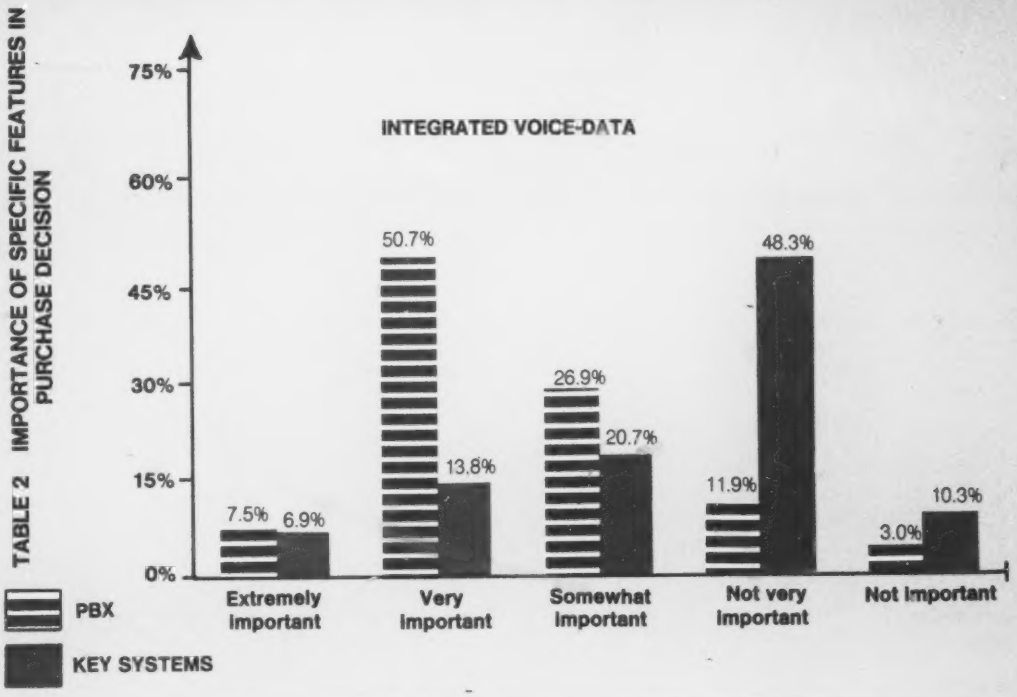

TABLE 2 IMPORTANCE OF SPECIFIC FEATURES IN PURCHASE DECISION

INTEGRATED VOICE-DATA	PBX	KEY SYSTEM
Extremely important	7.5%	6.9%
Very important	50.7	13.8
Somewhat important	26.9	20.7
Not very important	11.9	48.3
Not important at all	3.0	10.3
CONFERENCE CALLING		
Extremely important	16.2	6.3
Very important	50.0	65.6
Somewhat important	29.4	12.5
Not very important	4.4	15.6
Not important at all	0.0	0.0
AUTOMATIC CALLBACK		
Extremely important	23.9	6.3
Very important	53.7	56.3
Somewhat important	19.4	28.1
Not very important	3.0	3.1
Not important at all	0.0	6.3
VOICE MESSAGING		
Extremely important	5.9	3.4
Very important	22.1	6.9
Somewhat important	44.1	24.1
Not very important	22.1	51.7
Not important at all	5.9	13.8
ELECTRONIC MAIL		
Extremely important	1.6	0.0
Very important	11.1	10.3
Somewhat important	54.0	17.2
Not very important	23.8	31.0
Not important at all	9.5	41.4

Who in your organization researches and recommends telephone systems?

PBX	KEY SYSTEM	
27.7%	6.9%	Telecommunications Manager
12.3	0.0	Vice President Data Processing/MIS
13.8	0.0	Manager Data Processing/MIS
1.5	3.4	Vice President/Director/Manager Finance
0.0	24.1	President/CEO
10.8	41.4	Office Manager/Administrative Manager
6.2	6.9	Vice President/Director/Manager Operations
6.2	0.0	Facilities Manager
21.5	17.2	Other

Who in your organization authorizes the purchase of telephone systems?

PBX	KEY SYSTEM	
0.0%	0.0%	Telecommunications Manager
6.3	0.0	Vice President Data Processing/MIS
1.6	0.0	Manager Data Processing/MIS
23.8	10.3	Vice President/Director/Manager Finance
34.9	72.4	President/CEO
12.7	6.9	Board Trustees/Directors
20.6	10.3	Other

Psst! *continued*

technical personnel and references. For 90.9% of PBX buyers, conversations with technical personnel topped the list. Almost as many, 87.9%, wanted technical information. For 84.4% of key system buyers, references were a key issue, followed by 75% who wanted face-to-face meetings.

Regarding what factors are most influential in face-to-face meetings with a sales representative, all of the factors, again, were ranked important by both groups. (The factors offered were honesty/integrity, product knowledge, organization/preparation, presents self well and communicates well.) But honesty/integrity and product knowledge appealed most to both groups.

Who's the Boss?

Finally, respondents were asked who made the purchase decision in their company (see above). For recommending and authorizing PBX purchases, the overall response is mixed; telecom managers stood only slightly above other technical types within the company.

Company presidents, CEOs and owners typically authorize PBX purchases, although they aren't the only ones deciding.

It is easier to find out who to talk to in companies that are interested in buying key systems. Office managers and administrative managers tend to recommend a particular key system, followed by the president, CEO or owner. And the company president, CEO or owner definitely authorizes the key system purchase.

Overall, the two types of buyers aren't just shopping for different items: They're shopping in different stores.

PBX buyers are interested in the technical aspects of a phone system purchase. Key system buyers are looking for the lowest price and the best deal. T